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November 17, 1999

Via Hand Delivery

Honorable William Kennard, Chairman
Federal Communications Commission
The Portals Building
445-12th Street, S.W., Room 8-B201
Washington, D.C. 20554

Honorable Harold Furchtgott-Roth
Federal Communications Commission
The Portals Building
445-12th Street, S.W., Room 8-A302
Washington, D.C. 20554

Honorable Susan Ness
Federal Communications Commission
The Portals Building
445-12th Street, S.W., Room 8-B115
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Honorable Michael Powell
Federal Communications Commission
The Portals Building
445-12th Street, S.W., Room 8-A204
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Honorable Gloria Tristani
Federal Communications Commission
The Portals Building
445-12th Street, S.W., Room 8-C302
Washington, D.C. 20554

Re: **Ex Parte Filing**; WT Docket 98-168

Dear Chairman Kennard and Commissioners:

Kenwood Communications Corporation, a major manufacturer of equipment for the wireless marketplace, on behalf of its dealers and their customers, is very much concerned about the critical shortage of private wireless spectrum in the United States. As was clearly demonstrated in the Petition for Rule Making filed by the Land Mobile Communications Council (LMCC)¹ in April of 1998, which Kenwood supports, the current private wireless spectrum is critically congested. In fact, there are no suitable channels remaining in the ten largest U.S. cities in the 470-512 MHz, the 800 MHz, and the 900 MHz bands. This was documented in the LMCC petition, and as well in comments in the above-referenced proceeding.

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Many of the comments in this proceeding suggested that a portion of the 746-806 MHz band should be allocated for private wireless use.² Kenwood strongly agrees with these comments. The private wireless community needs more spectrum without delay, and allocation of 6 MHz of the 746-806 MHz band for private wireless use would certainly be an important partial solution, though not a complete solution to this urgent shortage.

Kenwood would urge the Commission to assign this spectrum as it has been, using the presently existing private wireless licensing mechanisms: site-by-site licenses based on proven coordination methodologies. While not perfect, this assignment mechanism goes a long way toward assuring efficient frequency re-use in crowded PMRS bands, and the coordination process avoids mutual exclusivity in licensing at the outset without the necessity of Commission intervention.

We understand that others urge that newly allocated private wireless spectrum be subject to the "band manager" concept or competitive bidding, neither in Kenwood's view offers any advantage over the current coordination procedures, and neither is mandatory. Competitive bidding is mandatory pursuant to the Balanced Budget Act only where mutual exclusivity exists between or among applications, and only where engineering solutions are not sufficient. Mutual Exclusivity is avoided by the frequency coordination process, which is itself a technical means of avoiding (or resolving) mutual exclusivity. Band Managers, in Kenwood's view, add to the private wireless user an element of ongoing cost and a level of administration that is not necessary, given the presently efficient licensing process for PMRS licenses.

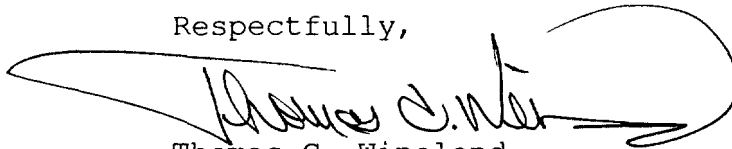
However, if the availability of additional PMRS spectrum is contingent upon the use of competitive bidding, then the Band Manager concept, properly configured, should be implemented as the means of making the spectrum available to PMRS eligibles. The Band Managers, however, should be defined in such a way as to protect the PMRS eligibles from predatory pricing or use of particular systems or station configurations. In other words, Band Managers

² See, for example, the comments of Intek Global Corp., at 6 (the Commission should guard against adoption of any rules that might foreclose the ability of the private mobile service providers from using at least a portion of the spectrum in the 746-764 MHz and 776-794 MHz bands); Comments of MRFAC, Inc., at 3 (the spectrum at issue is ideally suited to private mobile uses since it is close to the spectrum newly-allocated for public safety); Comments of Motorola, Inc. at 13 (an allocation by the FCC of a portion of this spectrum for the private mobile radio services is consistent with the Congressional requirement to allocate the spectrum for commercial use); Comments of United Telecom Council at 3 (UTC strongly supports allocation of a portion of this spectrum for private wireless users).

should not be CMRS providers. Rather, they should operate much like Part 90 frequency coordinators do now, so as to offer the PMRS user maximum flexibility to configure PMRS systems in the way that best suits their business needs.

Kenwood would very much like to work with the Commission's staff to develop service rules for the 746-806 MHz band, and other allocations that would maximize their potential use and efficiency, while ensuring that the serious shortage in private wireless allocations is remedied. We stand ready to assist you, or your Wireless Bureau in the process, and hope that you will call on Kenwood.

Respectfully,

A handwritten signature in black ink, appearing to read "Thomas C. Wineland", with a large, sweeping flourish extending to the right.

Thomas C. Wineland
President

Kenwood Communications Corporation

cc: Thomas Sugrue, Esq.
Diane Conley, Esq.
Kathleen Ham, Esq.
James Schlichting, Esq.
(by hand delivery to all)